

Formal Education

**EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)**

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PROGRAM ID:

PROGRAM STRUCTURE NO **07**

PROGRAM TITLE: **FORMAL EDUCATION**

PROGRAM COSTS	FY2003-04			FY2004-05			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	26739.65*	*	26739.65*	26741.65*	-1.50*	26740.15*	*	*	
PERSONAL SERVICES	1,559,435,360	300,000	1,559,735,360	1,593,134,986	11,660,651	1,604,795,637	3,152,570,346	3,164,530,997	
OTH CURRENT EXPENSES	849,651,559	300,000-	849,351,559	894,758,897	32,500,196	927,259,093	1,744,410,456	1,776,610,652	
EQUIPMENT	41,367,853		41,367,853	40,227,993	2,002,299	42,230,292	81,595,846	83,598,145	
MOTOR VEHICLES	621,000		621,000	501,000	200,000	701,000	1,122,000	1,322,000	
TOTAL OPERATING COST	2,451,075,772		2,451,075,772	2,528,622,876	46,363,146	2,574,986,022	4,979,698,648	5,026,061,794	.93
BY MEANS OF FINANCING									
GENERAL FUND	25409.49*	*	25409.49*	25411.49*	-1.50*	25409.99*	*	*	
	1,918,490,876		1,918,490,876	1,989,843,904	7,024,777	1,996,868,681	3,908,334,780	3,915,359,557	
SPECIAL FUND	903.75*	*	903.75*	903.75*	*	903.75*	*	*	
	173,260,223		173,260,223	169,320,000	3,000,000	172,320,000	342,580,223	345,580,223	
OTHER FED. FUNDS	102.66*	*	102.66*	102.66*	*	102.66*	*	*	
TRUST FUNDS	209,572,118		209,572,118	221,099,569	20,138,369	241,237,938	430,671,687	450,810,056	
INTERDEPT. TRANSF	5,950,000		5,950,000	5,950,000		5,950,000	11,900,000	11,900,000	
	8,400,000		8,400,000	8,600,000	1,200,000	9,800,000	17,000,000	18,200,000	
REVOLVING FUND	323.75*	*	323.75*	323.75*	*	323.75*	*	*	
	135,402,555		135,402,555	133,809,403	15,000,000	148,809,403	269,211,958	284,211,958	
CAPITAL INVESTMENT									
PLANS	1,842,000		1,842,000	545,000	345,000	890,000	2,387,000	2,732,000	
LAND ACQUISITION	57,000		57,000	5,000	1,000	6,000	62,000	63,000	
DESIGN	16,201,000	20,000-	16,181,000	5,415,000	26,791,000	32,206,000	21,616,000	48,387,000	
CONSTRUCTION	121,687,000	150,000-	121,537,000	52,065,000	113,491,000	165,556,000	173,752,000	287,093,000	
EQUIPMENT	2,520,000		2,520,000	2,180,000	401,000	2,581,000	4,700,000	5,101,000	
TOTAL CAPITAL COSTS	142,307,000	170,000-	142,137,000	60,210,000	141,029,000	201,239,000	202,517,000	343,376,000	69.55
BY MEANS OF FINANCING									
SPECIAL FUND	72,953,000	170,000-	72,783,000	46,300,000		46,300,000	119,253,000	119,083,000	
G.O. BONDS	59,354,000		59,354,000	13,910,000	141,029,000	154,939,000	73,264,000	214,293,000	
OTHER FED. FUNDS	10,000,000		10,000,000				10,000,000	10,000,000	
TOTAL POSITIONS	26739.65*	*	26739.65*	26741.65*	-1.50*	26740.15*			
TOTAL PROGRAM COST	2,593,382,772	170,000-	2,593,212,772	2,588,832,876	187,392,146	2,776,225,022	5,182,215,648	5,369,437,794	3.61

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PROGRAM ID:
PROGRAM STRUCTURE NO **0701**
PROGRAM TITLE: **LOWER EDUCATION**

PROGRAM COSTS	FY2003-04			FY2004-05			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	20443.65*	*	20443.65*	20445.65*	-48.50*	20397.15*	*	*	
PERSONAL SERVICES	1,213,585,500		1,213,585,500	1,246,489,872	9,353,764	1,255,843,636	2,460,075,372	2,469,429,136	
OTH CURRENT EXPENSES	481,092,778		481,092,778	506,449,450	15,340,571	521,790,021	987,542,228	1,002,882,799	
EQUIPMENT	28,985,051		28,985,051	27,845,191	1,647,299	29,492,490	56,830,242	58,477,541	
MOTOR VEHICLES	621,000		621,000	501,000	200,000	701,000	1,122,000	1,322,000	
TOTAL OPERATING COST	1,724,284,329		1,724,284,329	1,781,285,513	26,541,634	1,807,827,147	3,505,569,842	3,532,111,476	.76
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BY MEANS OF FINANCING	19710.15*	*	19710.15*	19712.15*	-48.50*	19663.65*	*	*	
GENERAL FUND	1,460,856,264		1,460,856,264	1,511,909,875	5,403,265	1,517,313,140	2,972,766,139	2,978,169,404	
	728.50*	*	728.50*	728.50*	*	728.50*	*	*	
SPECIAL FUND	45,138,098		45,138,098	39,358,220		39,358,220	84,496,318	84,496,318	
	5.00*	*	5.00*	5.00*	*	5.00*	*	*	
OTHER FED. FUNDS	199,409,967		199,409,967	210,937,418	19,938,369	230,875,787	410,347,385	430,285,754	
TRUST FUNDS	5,950,000		5,950,000	5,950,000		5,950,000	11,900,000	11,900,000	
INTERDEPT. TRANSF	8,400,000		8,400,000	8,600,000	1,200,000	9,800,000	17,000,000	18,200,000	
REVOLVING FUND	4,530,000		4,530,000	4,530,000		4,530,000	9,060,000	9,060,000	
CAPITAL INVESTMENT									
PLANS	1,644,000		1,644,000	495,000	101,000	596,000	2,139,000	2,240,000	
LAND ACQUISITION	56,000		56,000	5,000	1,000	6,000	61,000	62,000	
DESIGN	13,292,000	20,000-	13,272,000	5,015,000	23,801,000	28,816,000	18,307,000	42,088,000	
CONSTRUCTION	91,998,000	150,000-	91,848,000	45,610,000	91,726,000	137,336,000	137,608,000	229,184,000	
EQUIPMENT	2,513,000		2,513,000	2,175,000	400,000	2,575,000	4,688,000	5,088,000	
TOTAL CAPITAL COSTS	109,503,000	170,000-	109,333,000	53,300,000	116,029,000	169,329,000	162,803,000	278,662,000	71.17
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BY MEANS OF FINANCING									
SPECIAL FUND	72,953,000	170,000-	72,783,000	46,300,000		46,300,000	119,253,000	119,083,000	
G.O. BONDS	36,550,000		36,550,000	7,000,000	116,029,000	123,029,000	43,550,000	159,579,000	
TOTAL POSITIONS	20443.65*	*	20443.65*	20445.65*	-48.50*	20397.15*			
TOTAL PROGRAM COST	1,833,787,329	170,000-	1,833,617,329	1,834,585,513	142,570,634	1,977,156,147	3,668,372,842	3,810,773,476	3.88
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**EXECUTIVE SUPPLEMENTAL BUDGET
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PROGRAM ID:

PROGRAM STRUCTURE NO **070101**

PROGRAM TITLE: **DEPARTMENT OF EDUCATION**

PROGRAM COSTS	FY2003-04			FY2004-05			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	19668.10*	*	19668.10*	19651.10*	-48.50*	19602.60*	*	*	
PERSONAL SERVICES	1,185,370,089		1,185,370,089	1,217,660,333	9,353,764	1,227,014,097	2,403,030,422	2,412,384,186	
OTH CURRENT EXPENSES	460,000,133		460,000,133	485,279,805	14,393,693	499,673,498	945,279,938	959,673,631	
EQUIPMENT	24,207,120		24,207,120	23,182,038	347,299	23,529,337	47,389,158	47,736,457	
MOTOR VEHICLES	621,000		621,000	501,000	200,000	701,000	1,122,000	1,322,000	
TOTAL OPERATING COST	1,670,198,342		1,670,198,342	1,726,623,176	24,294,756	1,750,917,932	3,396,821,518	3,421,116,274	.72
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BY MEANS OF FINANCING	18934.60*	*	18934.60*	18917.60*	-48.50*	18869.10*	*	*	
GENERAL FUND	1,412,440,521		1,412,440,521	1,462,917,782	3,656,387	1,466,574,169	2,875,358,303	2,879,014,690	
	728.50*	*	728.50*	728.50*	*	728.50*	*	*	
SPECIAL FUND	42,013,098		42,013,098	36,233,220		36,233,220	78,246,318	78,246,318	
	5.00*	*	5.00*	5.00*	*	5.00*	*	*	
OTHER FED. FUNDS	196,864,723		196,864,723	208,392,174	19,438,369	227,830,543	405,256,897	424,695,266	
TRUST FUNDS	5,950,000		5,950,000	5,950,000		5,950,000	11,900,000	11,900,000	
INTERDEPT. TRANSF	8,400,000		8,400,000	8,600,000	1,200,000	9,800,000	17,000,000	18,200,000	
REVOLVING FUND	4,530,000		4,530,000	4,530,000		4,530,000	9,060,000	9,060,000	
CAPITAL INVESTMENT									
PLANS	1,597,000		1,597,000	495,000		495,000	2,092,000	2,092,000	
LAND ACQUISITION	6,000		6,000	5,000		5,000	11,000	11,000	
DESIGN	8,044,000	20,000-	8,024,000	3,015,000		3,015,000	11,059,000	11,039,000	
CONSTRUCTION	60,798,000	150,000-	60,648,000	40,610,000	19,700,000	60,310,000	101,408,000	120,958,000	
EQUIPMENT	2,508,000		2,508,000	2,175,000	300,000	2,475,000	4,683,000	4,983,000	
TOTAL CAPITAL COSTS	72,953,000	170,000-	72,783,000	46,300,000	20,000,000	66,300,000	119,253,000	139,083,000	16.63
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BY MEANS OF FINANCING									
SPECIAL FUND	72,953,000	170,000-	72,783,000	46,300,000		46,300,000	119,253,000	119,083,000	
G.O. BONDS					20,000,000	20,000,000		20,000,000	
TOTAL POSITIONS	19668.10*	*	19668.10*	19651.10*	-48.50*	19602.60*			
TOTAL PROGRAM COST	1,743,151,342	170,000-	1,742,981,342	1,772,923,176	44,294,756	1,817,217,932	3,516,074,518	3,560,199,274	1.25
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PROGRAM ID: EDN-100
PROGRAM STRUCTURE NO 07010110
PROGRAM TITLE: SCHOOL-BASED BUDGETING

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PROGRAM COSTS	FY2003-04			FY2004-05			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	11683.50*		11683.50*	11663.50*	-51.50*	11612.00*			
PERSONAL SERVICES	822,959,641	*	822,959,641	866,207,051	4,277,792-	861,929,259	1,689,166,692	1,684,888,900	*
OTH CURRENT EXPENSES	256,757,228		256,757,228	278,210,886	10,188,347-	268,022,539	534,968,114	524,779,767	
EQUIPMENT	17,403,518		17,403,518	16,258,436	347,299	16,605,735	33,661,954	34,009,253	
MOTOR VEHICLES	285,000		285,000	285,000	200,000	485,000	570,000	770,000	
TOTAL OPERATING COST	1,097,405,387		1,097,405,387	1,160,961,373	13,918,840-	1,147,042,533	2,258,366,760	2,244,447,920	.62-
BY MEANS OF FINANCING	11683.50*		11683.50*	11663.50*	-51.50*	11612.00*			
GENERAL FUND	967,163,889	*	967,163,889	1,018,878,690	29,959,062-	988,919,628	1,986,042,579	1,956,083,517	*
SPECIAL FUND	5,372,924		5,372,924	5,372,924		5,372,924	10,745,848	10,745,848	
OTHER FED. FUNDS	115,318,574		115,318,574	126,959,759	15,840,222	142,799,981	242,278,333	258,118,555	
TRUST FUNDS	5,950,000		5,950,000	5,950,000		5,950,000	11,900,000	11,900,000	
INTERDEPT. TRANSF	1,600,000		1,600,000	1,800,000	200,000	2,000,000	3,400,000	3,600,000	
REVOLVING FUND	2,000,000		2,000,000	2,000,000		2,000,000	4,000,000	4,000,000	
CAPITAL INVESTMENT									
PLANS	1,597,000		1,597,000	495,000		495,000	2,092,000	2,092,000	
LAND ACQUISITION	6,000		6,000	5,000		5,000	11,000	11,000	
DESIGN	8,044,000	20,000-	8,024,000	3,015,000		3,015,000	11,059,000	11,039,000	
CONSTRUCTION	60,798,000	150,000-	60,648,000	40,610,000	19,700,000	60,310,000	101,408,000	120,958,000	
EQUIPMENT	2,508,000		2,508,000	2,175,000	300,000	2,475,000	4,683,000	4,983,000	
TOTAL CAPITAL COSTS	72,953,000	170,000-	72,783,000	46,300,000	20,000,000	66,300,000	119,253,000	139,083,000	16.63
BY MEANS OF FINANCING									
SPECIAL FUND	72,953,000	170,000-	72,783,000	46,300,000		46,300,000	119,253,000	119,083,000	
G.O. BONDS					20,000,000	20,000,000		20,000,000	
TOTAL POSITIONS	11683.50*	*	11683.50*	11663.50*	-51.50*	11612.00*			
TOTAL PROGRAM COST	1,170,358,387	170,000-	1,170,188,387	1,207,261,373	6,081,160	1,213,342,533	2,377,619,760	2,383,530,920	.25

**Narrative for Supplemental Budget Requests
FY 2005**

Program ID: EDN 100
Program Structure Level: 07 01 01 10
Program Title: School-Based Budgeting

A. Program Objective

To assure that all students receive instruction consistent with the Hawaii Content and Performance Standards so that they may achieve those standards and develop to their fullest potential in alignment with the General Learner Outcomes. The standards specify what students should know, be able to do, and care about.

B. Description of Request

The request includes:

- decrease of \$7,913,922 for debt service, due to re-projection of debt service costs. Remaining appropriated funds for debt service will be transferred to the Department of Budget and Finance.
- decrease of \$5,487,847 for fringe costs, due to creation of a new EDN for charter schools. Remaining appropriated funds for fringe costs will be transferred to the Department of Budget and Finance.
- reduction of 75.00 FTEs and \$1,903,317 in funds for Regular Education teachers
- increase of \$1,083,053 for risk management costs.
- Increase of \$8,370,006 for collective bargaining.
- transfer of \$18,135,609 for charter schools to a new program.
- workload increase of 15.00 FTEs and \$211,140 for school security attendants, and \$500,000 for athletic coaches' salaries.

- resources for new classrooms and facilities: i.e. \$259,120 for advance purchase of classroom equipment for 20 new portable classrooms statewide; \$40,000 for advance purchase of books and equipment for a new chorus room at Lokelani Intermediate School; \$48,179 for advance purchase of equipment for an athletic trainer room and weight room at Lahainaluna HS.

C. Reasons for Request

The changes to debt service and risk management are due to expected changes in actual costs. Collective bargaining increases were not adequately funded in the biennium budget.

Workload increases in Resources for New Facilities are needed to continue the current level of services for an increased number of facilities.

The reduction in Regular Education teachers positions and funds is due to the decrease of projected enrollment counts when compared to prior year projections. 19.50 FTE Regular Education teacher Positions are also decreased due to the conversion of Waimea Middle School to charter school. Charter school students are not included in the calculation of teachers required for Regular Education.

D. Significant Changes to Measures of Effectiveness and Program Size

The changes will allow the level of services to students to be maintained at current levels. By mandate of the State Constitution, the program must admit all eligible applicants.

PROGRAM ID: EDN-150
PROGRAM STRUCTURE NO 07010115
PROGRAM TITLE: COMPREHENSIVE SCHOOL SUPPORT SERVICES

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PROGRAM COSTS	FY2003-04			FY2004-05			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	4965.50*	*	4965.50*	4965.50*	3.00*	4968.50*	*	*	
PERSONAL SERVICES	232,771,435		232,771,435	232,831,118	3,798	232,834,916	465,602,553	465,606,351	
OTH CURRENT EXPENSES	83,916,400		83,916,400	86,139,016	3,348,147	89,487,163	170,055,416	173,403,563	
EQUIPMENT	1,252,675		1,252,675	1,252,675		1,252,675	2,505,350	2,505,350	
TOTAL OPERATING COST	317,940,510		317,940,510	320,222,809	3,351,945	323,574,754	638,163,319	641,515,264	.53
BY MEANS OF FINANCING									
GENERAL FUND	4963.50*	*	4963.50*	4963.50*	3.00*	4966.50*	*	*	
	284,037,140		284,037,140	284,096,823	3,798	284,100,621	568,133,963	568,137,761	
OTHER FED. FUNDS	2.00*	*	2.00*	2.00*	*	2.00*	*	*	
	33,903,370		33,903,370	36,125,986	3,348,147	39,474,133	70,029,356	73,377,503	
TOTAL POSITIONS	4965.50*	*	4965.50*	4965.50*	3.00*	4968.50*			
TOTAL PROGRAM COST	317,940,510		317,940,510	320,222,809	3,351,945	323,574,754	638,163,319	641,515,264	.53

**Narrative for Supplemental Budget Requests
FY 2005**

Program ID: EDN 150
Program Structure Level: 07 01 01 15
Program Title: Comprehensive School Support Services

A. Program Objective

To assure that learning takes place within an educational, social and emotional context that supports each student's success in achieving the Hawaii Content and Performance Standards.

B. Description of Request

The request includes:

- Workload increase of 1.50 FTE and \$23,763 for Educational Assistants to enable Mililani Ike to implement the Primary School Adjustment Program (PSAP).
- Workload increase of 1.50 FTE and \$26,370 for School-Based Services clerk positions at Mililani Ike.

C. Reasons for Request

Mililani Ike is a new school that opened in FY 2004. The PSAP program is a Felix Consent Decree benchmark.

D. Significant Changes to Measures of Effectiveness and Program Size

The increases will allow the level of services to students, as well as the indicators, to be maintained at current levels. By mandate of the State Constitution, the program must admit all eligible applicants.

PROGRAM ID: EDN-200
PROGRAM STRUCTURE NO 07010120
PROGRAM TITLE: INSTRUCTIONAL SUPPORT

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PROGRAM COSTS	FY2003-04			FY2004-05			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	220.50*	*	220.50*	220.50*	*	220.50*	*	*	
PERSONAL SERVICES	15,364,511		15,364,511	15,364,209	280,000	15,644,209	30,728,720	31,008,720	
OTH CURRENT EXPENSES	8,616,992		8,616,992	8,566,992	449,270	9,016,262	17,183,984	17,633,254	
EQUIPMENT	146,200		146,200	146,200		146,200	292,400	292,400	
TOTAL OPERATING COST	24,127,703		24,127,703	24,077,401	729,270	24,806,671	48,205,104	48,934,374	1.51
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BY MEANS OF FINANCING									
GENERAL FUND	220.50*	*	220.50*	220.50*	*	220.50*	*	*	
SPECIAL FUND	20,314,325		20,314,325	20,314,023	479,270	20,793,293	40,628,348	41,107,618	
OTHER FED. FUNDS	1,600,000		1,600,000	1,600,000		1,600,000	3,200,000	3,200,000	
INTERDEPT. TRANSF	1,413,378		1,413,378	1,363,378	250,000	1,613,378	2,776,756	3,026,756	
	800,000		800,000	800,000		800,000	1,600,000	1,600,000	
TOTAL POSITIONS	220.50*	*	220.50*	220.50*	*	220.50*			
TOTAL PROGRAM COST	24,127,703		24,127,703	24,077,401	729,270	24,806,671	48,205,104	48,934,374	1.51
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**Narrative for Supplemental Budget Requests
FY 2005**

Program ID: EDN 200
Program Structure Level: 07 01 01 20
Program Title: Instructional Support

A. Program Objective

To support the instructional program by providing assistance to schools and complexes in implementing the Hawaii Content and Performance Standards; developing, training, and monitoring, new and existing curricula and instructional strategies that support student attainment of the standards; testing and reporting on student, school, and system accountability in a responsive and expedient manner.

B. Description of Request

The request includes:

- \$480,000 to pay teachers differentials and reimbursements for National Board Certification Awards.

C. Reasons for Request

Appendix XVII of the Agreement between the Hawaii State Teachers Association and the State of Hawaii Board of Education states that teachers who achieve National Board for Professional Teaching Standards certification will receive a differential and reimbursement of the expenses to complete the application process.

D. Significant Changes to Measures of Effectiveness and Program Size

There are significant needs related to support of schools to achieve adequate yearly progress under the federal No Child Left Behind Act that are not being requested due to the state's economic condition.

PROGRAM ID: EDN-400
PROGRAM STRUCTURE NO 07010140
PROGRAM TITLE: SCHOOL SUPPORT

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PROGRAM COSTS	FY2003-04			FY2004-05			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	2359.10*	*	2359.10*	2362.10*	*	2362.10*	*	*	
PERSONAL SERVICES	80,539,781		80,539,781	69,476,317	292,536	69,768,853	150,016,098	150,308,634	
OTH CURRENT EXPENSES	95,106,002		95,106,002	96,515,860	3,489,357	100,005,217	191,621,862	195,111,219	
EQUIPMENT	3,848,527		3,848,527	3,968,527		3,968,527	7,817,054	7,817,054	
MOTOR VEHICLES	336,000		336,000	216,000		216,000	552,000	552,000	
TOTAL OPERATING COST	179,830,310		179,830,310	170,176,704	3,781,893	173,958,597	350,007,014	353,788,907	1.08
BY MEANS OF FINANCING									
GENERAL FUND	1627.60*	*	1627.60*	1630.60*	*	1630.60*	*	*	
	101,481,391		101,481,391	100,185,677	3,781,893	103,967,570	201,667,068	205,448,961	
SPECIAL FUND	728.50*	*	728.50*	728.50*	*	728.50*	*	*	
	33,101,168		33,101,168	27,321,290		27,321,290	60,422,458	60,422,458	
OTHER FED. FUNDS	3.00*	*	3.00*	3.00*	*	3.00*	*	*	
REVOLVING FUND	43,247,751		43,247,751	40,669,737		40,669,737	83,917,488	83,917,488	
	2,000,000		2,000,000	2,000,000		2,000,000	4,000,000	4,000,000	
TOTAL POSITIONS	2359.10*	*	2359.10*	2362.10*	*	2362.10*			
TOTAL PROGRAM COST	179,830,310		179,830,310	170,176,704	3,781,893	173,958,597	350,007,014	353,788,907	1.08

**Narrative for Supplemental Budget Requests
FY 2005**

Program ID: EDN 400
Program Structure Level: 07 01 01 40
Program Title: School Support

A. Program Objective

To facilitate the operations of the department by providing school food services, student transportation services, and services and supplies relating to the operation and maintenance of grounds and facilities.

B. Description of Request

The request includes:

- increase of \$1,000,000 for custodial supplies.
- increase of \$2,500,000 for student transportation.
- \$292,536 in additional funds for salaries due to collective bargaining increases for BU01 effective January 2003.

C. Reasons for Request

Schools require additional funds for restroom supplies such as toilet tissue, soap, and hand towels due to price increases and an increased number of schools who must share the appropriated amounts.

Student transportation funding has been insufficient since responsibility for the program was transferred to the Department of Education.

D. Significant Changes to Measures of Effectiveness and Program Size

There are significant needs for funds for telecommunication services for schools and Asbestos Hazard Emergency Response Act (AHERA) reinspection which are not being requested due to the state's economic condition.

PROGRAM ID: EDN-500
PROGRAM STRUCTURE NO 07010150
PROGRAM TITLE: SCHOOL COMMUNITY SERVICES

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PROGRAM COSTS	FY2003-04			FY2004-05			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	35.50*	*	35.50*	35.50*	*	35.50*	*	*	
PERSONAL SERVICES	11,290,789		11,290,789	11,338,611	3,002,236	14,340,847	22,629,400	25,631,636	
OTH CURRENT EXPENSES	8,278,302		8,278,302	8,521,842	1,462,182	9,984,024	16,800,144	18,262,326	
EQUIPMENT	33,400		33,400	33,400		33,400	66,800	66,800	
TOTAL OPERATING COST	19,602,491		19,602,491	19,893,853	4,464,418	24,358,271	39,496,344	43,960,762	11.30
=====									
BY MEANS OF FINANCING									
GENERAL FUND	35.50*	*	35.50*	35.50*	*	35.50*	*	*	
SPECIAL FUND	8,216,835		8,216,835	8,216,533	3,464,418	11,680,951	16,433,368	19,897,786	
OTHER FED. FUNDS	1,939,006		1,939,006	1,939,006		1,939,006	3,878,012	3,878,012	
INTERDEPT. TRANSF	2,916,650		2,916,650	3,208,314		3,208,314	6,124,964	6,124,964	
REVOLVING FUND	6,000,000		6,000,000	6,000,000	1,000,000	7,000,000	12,000,000	13,000,000	
	530,000		530,000	530,000		530,000	1,060,000	1,060,000	
TOTAL POSITIONS	35.50*	*	35.50*	35.50*	*	35.50*			
TOTAL PROGRAM COST	19,602,491		19,602,491	19,893,853	4,464,418	24,358,271	39,496,344	43,960,762	11.30
=====									

**Narrative for Supplemental Budget Requests
FY 2005**

Program ID: EDN 500
Program Structure Level: 07 01 01 50
Program Title: School Community Services

A. Program Objective

To provide lifelong learning opportunities for adults and to meet other community needs of the general public.

B. Description of Request

The request includes:

- restoration of \$3,464,418 for the Afterschool Plus (A+) program.
- increase of interdepartmental transfer ceiling by \$1,000,000.

C. Reasons for Request

The Afterschool (A+) program was reduced due to the state's fiscal condition in 2002. The request is to restore due reduction to enable the continuation of this child care program.

The increase in ceiling for interdepartmental transfer is requested to accommodate possible renegotiation with the Department of Human Services and to allow the expenditure of any carryover of the subsidy received from DHS.

D. Significant Changes to Measures of Effectiveness and Program Size

Measures related to the delivery of service will be maintained.

PROGRAM ID: EDN-600
 PROGRAM STRUCTURE NO 07010160
 PROGRAM TITLE: CHARTER SCHOOLS

EXECUTIVE SUPPLEMENTAL BUDGET
 (IN DOLLARS)

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	FY2003-04			FY2004-05			BIENNIUM TOTALS		
PROGRAM COSTS	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING									
PERSONAL SERVICES					10,052,986	10,052,986		10,052,986	
OTH CURRENT EXPENSES					15,833,084	15,833,084		15,833,084	
TOTAL OPERATING COST					25,886,070	25,886,070		25,886,070	100.00
BY MEANS OF FINANCING									
GENERAL FUND					25,886,070	25,886,070		25,886,070	
TOTAL POSITIONS	*	*	*	*	*	*			
TOTAL PROGRAM COST					25,886,070	25,886,070		25,886,070	100.00

**Narrative for Supplemental Budget Requests
FY 2005**

Program ID: EDN 600
Program Structure Level: 07 01 01 60
Program Title: Charter Schools

A. Program Objective

To implement the public charter school program in the State of Hawaii.

B. Description of Request

The request includes:

- transfer of \$11,409,224 from EDN 100 / CL, New Century Charter Schools.
- transfer of \$6,726,385 from various EDNs to supplement the transfer from EDN 100 / CL.
- workload increase of \$7,750,461 to fully fund students in existing charter schools at \$5,355 per pupil, based on projected School Year 2004-2005 enrollment of 4,834 students, including conversion charter schools.

C. Reasons for Request

Act 203, SLH 2003 established a separate charter school administrative office which is attached to the department of education for administrative purposes only. Included in the responsibilities of this office are preparation and execution of the budget for the charter schools. The establishment of a separate EDN for charter schools will facilitate the implementation of Act 203.

D. Significant Changes to Measures of Effectiveness and Program Size

This is a new program. Measures of Effectiveness have not been developed.

PROGRAM ID:
PROGRAM STRUCTURE NO
PROGRAM TITLE:

AGS-807
070102
PHYSICAL PLANT OPERATIONS & MAINTENANCE-

EXECUTIVE SUPPLEMENTAL BUDGET
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PROGRAM COSTS	FY2003-04			FY2004-05			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	241.00*	*	241.00*	241.00*	*	241.00*	*	*	
PERSONAL SERVICES	8,001,181		8,001,181	8,001,181		8,001,181	16,002,362	16,002,362	
OTH CURRENT EXPENSES	14,593,631		14,593,631	14,593,631	650,000	15,243,631	29,187,262	29,837,262	
EQUIPMENT	246,193		246,193	246,193		246,193	492,386	492,386	
TOTAL OPERATING COST	22,841,005		22,841,005	22,841,005	650,000	23,491,005	45,682,010	46,332,010	1.42
=====									
BY MEANS OF FINANCING									
GENERAL FUND	241.00*	*	241.00*	241.00*	*	241.00*	*	*	
	22,841,005		22,841,005	22,841,005	650,000	23,491,005	45,682,010	46,332,010	
CAPITAL INVESTMENT									
DESIGN	5,000,000		5,000,000	2,000,000	23,000,000	25,000,000	7,000,000	30,000,000	
CONSTRUCTION	30,000,000		30,000,000	5,000,000	67,000,000	72,000,000	35,000,000	102,000,000	
TOTAL CAPITAL COSTS	35,000,000		35,000,000	7,000,000	90,000,000	97,000,000	42,000,000	132,000,000	214.29
=====									
BY MEANS OF FINANCING									
G.O. BONDS	35,000,000		35,000,000	7,000,000	90,000,000	97,000,000	42,000,000	132,000,000	
TOTAL POSITIONS	241.00*	*	241.00*	241.00*	*	241.00*			
TOTAL PROGRAM COST	57,841,005		57,841,005	29,841,005	90,650,000	120,491,005	87,682,010	178,332,010	103.38
=====									

**Narrative for Supplemental Budget Requests
FY 2005**

Program ID: AGS-807

Program Structure Level: 07 01 02

Program Title: Physical Plant Operations and Maintenance

A. Program Objective

To maintain assigned public school facilities in a safe and highly usable condition by providing repairs and maintenance service.

and maintenance projects identified by schools. Another \$40 million will be allocated for classroom renovations at 23 schools statewide and \$5 million each for air conditioning and electrical upgrades.

B. Description of Request

Add \$90 million – Lump Sum CIP School Building Improvements
Add \$650,000 – R&M Contracts for Mechanical Systems and Refuse Disposal.

2. **R&M Contracts for Mechanical Systems and Refuse Disposal**

Funding for maintenance contract increases have not been provided since Fiscal Year 1998. In the past 5-years, the variance between actual need and budget has increased to \$650,000. For air conditioning contracts, the construction of 11 additional schools/buildings with central air, have added significantly to costs. On average, air conditioning maintenance for an entire school can cost \$40,000 annually. With respect to elevators, a recently negotiated 10% increase in collective bargaining for unionized mechanics is being passed along as an escalation expense. Moreover, refuse costs have steadily risen due to the addition of new schools, and increase tipping charges at landfills and H-Power.

C. Reasons for Request

1. **Lump Sum CIP School Building Improvements**

The proposed appropriation of \$90 million in lump sum CIP funds is essential to reduce the \$675 million projected backlog in major school repair projects identified as of June 30, 2003. By leveraging these funds through the solicitation of informal bids up to \$100,000 per §36-35 and §36-36 HRS and removal from backlog of individual projects completed as part of classroom renovations, an additional \$40-\$50 million more in repairs, above the \$90 million appropriation can be reduced from backlog.

Based on §302A-1505 HRS, the Department of Education has prioritized the \$90 million as follows: \$47 million will be allocated for major repair

D. Significant Changes to Measures of Effectiveness and Program Size

The aforementioned request will not affect both the program's measures of effectiveness or program size.

PROGRAM ID: EDN-407
PROGRAM STRUCTURE NO 070103
PROGRAM TITLE: PUBLIC LIBRARIES

EXECUTIVE SUPPLEMENTAL BUDGET
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PROGRAM COSTS	FY2003-04			FY2004-05			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	534.55*	*	534.55*	553.55*	*	553.55*	*	*	
PERSONAL SERVICES	18,702,867		18,702,867	19,316,995		19,316,995	38,019,862	38,019,862	
OTH CURRENT EXPENSES	5,286,542		5,286,542	5,363,542	220,743	5,584,285	10,650,084	10,870,827	
EQUIPMENT	4,531,738		4,531,738	4,416,960	1,300,000	5,716,960	8,948,698	10,248,698	
TOTAL OPERATING COST	28,521,147		28,521,147	29,097,497	1,520,743	30,618,240	57,618,644	59,139,387	2.64
BY MEANS OF FINANCING									
GENERAL FUND	534.55*	*	534.55*	553.55*	*	553.55*	*	*	
SPECIAL FUND	24,530,903		24,530,903	25,107,253	1,020,743	26,127,996	49,638,156	50,658,899	
OTHER FED. FUNDS	3,125,000		3,125,000	3,125,000		3,125,000	6,250,000	6,250,000	
	865,244		865,244	865,244	500,000	1,365,244	1,730,488	2,230,488	
CAPITAL INVESTMENT									
PLANS	47,000		47,000		101,000	101,000	47,000	148,000	
LAND ACQUISITION	50,000		50,000		1,000	1,000	50,000	51,000	
DESIGN	248,000		248,000		801,000	801,000	248,000	1,049,000	
CONSTRUCTION	1,200,000		1,200,000		5,026,000	5,026,000	1,200,000	6,226,000	
EQUIPMENT	5,000		5,000		100,000	100,000	5,000	105,000	
TOTAL CAPITAL COSTS	1,550,000		1,550,000		6,029,000	6,029,000	1,550,000	7,579,000	388.97
BY MEANS OF FINANCING									
G.O. BONDS	1,550,000		1,550,000		6,029,000	6,029,000	1,550,000	7,579,000	
TOTAL POSITIONS	534.55*	*	534.55*	553.55*	*	553.55*			
TOTAL PROGRAM COST	30,071,147		30,071,147	29,097,497	7,549,743	36,647,240	59,168,644	66,718,387	12.76

Narrative for Supplemental Budget Request
FY 2005

Program ID: EDN 407
Program Structure Level: 07 01 03
Program Title: Public Libraries

A. Program Objectives

To operate a library program that will improve and enrich the intellectual development, personal achievement and leisure time activities of the public by providing appropriate reading, information retrieval, and audiovisual materials and services. The Library will be an important cultural and social asset by meeting the Public's individual needs for timely access to materials and resources for reading and lifelong learning through a quality managed system.

B. Description of Request

Library Books and Materials: Additional Funding of \$1M for library books and materials.

Risk Management: To address the increased Cost of the State Self-Insurance Program.

ADA and Health & Safety CIP: \$3.5M for the HSPLS ADA transition plan deficiencies and the backlog of major health and safety projects for the 50 branches statewide.

Makawao Library CIP: \$2.529M is being reauthorized from the original \$3M CIP for the expansion of the Makawao Public Library. This amount represents only the construction portion of this CIP appropriation. The land acquisition, plans, and design phases should be completed by June 30, 2004.

C. Reason for Request

Library Books and Materials: The additional \$1M will continue to assist the rebuilding and updating of our collections. With the rising costs, decreased budget for books and materials, and the new library branches added over the last 10 years, our collection has been shrinking and stretched beyond acceptable limits.

Risk Management: DAGS, Risk Management and the Department of Budget & Finance have determined HSPLS's projected self-insured costs.

ADA and Health & Safety CIP: As one of the last State agencies to comply with its ADA transition plan, it is critical that our supplemental budget request for these as well as the major Health & Safety projects be approved.

Makawao Library CIP: DAGS has advised HSPLS that the construction of this expansion could not be initiated before the lapse date of the original CIP appropriation of June 30, 2004. Therefore, the \$2.529M needed to be reauthorized for the next FY 2005.

D. Significant Changes to Measures of Effectiveness and Program Size

With the projected opening of a new library at Kapolei and the additional funds for books and materials, there should be significant increases to both HSPLS measures of effectiveness and Program Size.

PROGRAM ID: DEF-114
PROGRAM STRUCTURE NO 070104
PROGRAM TITLE: HAWAII NATL GUARD YOUTH CHALLENGE ACADEM

EXECUTIVE SUPPLEMENTAL BUDGET
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	-----FY2003-04-----			-----FY2004-05-----			-----BIENNIUM TOTALS-----		
PROGRAM COSTS	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING									
PERSONAL SERVICES	1,511,363		1,511,363	1,511,363		1,511,363	3,022,726	3,022,726	
OTH CURRENT EXPENSES	1,212,472		1,212,472	1,212,472	76,135	1,288,607	2,424,944	2,501,079	
TOTAL OPERATING COST	2,723,835		2,723,835	2,723,835	76,135	2,799,970	5,447,670	5,523,805	1.40
=====									
BY MEANS OF FINANCING									
GENERAL FUND	1,043,835		1,043,835	1,043,835	76,135	1,119,970	2,087,670	2,163,805	
OTHER FED. FUNDS	1,680,000		1,680,000	1,680,000		1,680,000	3,360,000	3,360,000	
TOTAL POSITIONS	*	*	*	*	*	*			
TOTAL PROGRAM COST	2,723,835		2,723,835	2,723,835	76,135	2,799,970	5,447,670	5,523,805	1.40
=====									

**Narrative for Supplemental Budget Requests
FY 2005**

Program ID: DEF 114
Program Structure Level: 07-01-04
Program Title: Hawaii National Guard Youth Challenge Academy

A. Program Objective

To intervene and impact the lives of at-risk, sixteen to eighteen year old high school students by providing the values, skills, education, and self-discipline necessary for successful placement in the Post Residential Phase and the corpsmembers to be active in the military, enrolled in school or gainfully employed.

D. Significant Changes to Measures of Effectiveness and Program Size

NONE

B. Description of Request

Increase State funds in the amount of \$76,135 in order to match & receive the full Federal funding allocated for Hawaii by the National Guard Bureau.

C. Reasons for Request

The National Guard Bureau (NGB) allocates funding based on the number of students. Hawaii National Guard Youth Challenge Academy's (HNGYCA) planned budgeted level is 200 students. NGB approved the program budget at \$2,800,000 (200 students times \$14,000) and as their 60% matching portion allocated \$1,680,000 for Hawaii. Due to HNGYCA's successful recruitment efforts, positive results, and community demand, the goal for the supplemental year is to service 240 students, making it imperative that full funding is received.

The request of \$76,135 will insure that Hawaii receives the full Federal allocation for the year. NGB recognizes the fact that the costs in Hawaii is higher than CONUS counterparts and therefore has approved a higher per student maximum cost for Hawaii which is \$16,000 per student. This will increase the total program budget to \$3,400,000. Due to the Governor's call for budgetary prudent, the program has accepted the challenge to find alternative matching sources until the Federal funding amount is confirmed at the increased level.

PROGRAM ID:
PROGRAM STRUCTURE NO 0703
PROGRAM TITLE: HIGHER EDUCATION

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PROGRAM COSTS	FY2003-04			FY2004-05			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	6296.00*	*	6296.00*	6296.00*	47.00*	6343.00*	*	*	
PERSONAL SERVICES	345,849,860	300,000	346,149,860	346,645,114	2,306,887	348,952,001	692,494,974	695,101,861	
OTH CURRENT EXPENSES	368,558,781	300,000-	368,258,781	388,309,447	17,159,625	405,469,072	756,868,228	773,727,853	
EQUIPMENT	12,382,802		12,382,802	12,382,802	355,000	12,737,802	24,765,604	25,120,604	
TOTAL OPERATING COST	726,791,443		726,791,443	747,337,363	19,821,512	767,158,875	1,474,128,806	1,493,950,318	1.34
BY MEANS OF FINANCING									
GENERAL FUND	5699.34*	*	5699.34*	5699.34*	47.00*	5746.34*	*	*	
	457,634,612		457,634,612	477,934,029	1,621,512	479,555,541	935,568,641	937,190,153	
SPECIAL FUND	175.25*	*	175.25*	175.25*	*	175.25*	*	*	
	128,122,125		128,122,125	129,961,780	3,000,000	132,961,780	258,083,905	261,083,905	
OTHER FED. FUNDS	97.66*	*	97.66*	97.66*	*	97.66*	*	*	
	10,162,151		10,162,151	10,162,151	200,000	10,362,151	20,324,302	20,524,302	
REVOLVING FUND	323.75*	*	323.75*	323.75*	*	323.75*	*	*	
	130,872,555		130,872,555	129,279,403	15,000,000	144,279,403	260,151,958	275,151,958	
CAPITAL INVESTMENT									
PLANS	198,000		198,000	50,000	244,000	294,000	248,000	492,000	
LAND ACQUISITION	1,000		1,000				1,000	1,000	
DESIGN	2,909,000		2,909,000	400,000	2,990,000	3,390,000	3,309,000	6,299,000	
CONSTRUCTION	29,689,000		29,689,000	6,455,000	21,765,000	28,220,000	36,144,000	57,909,000	
EQUIPMENT	7,000		7,000	5,000	1,000	6,000	12,000	13,000	
TOTAL CAPITAL COSTS	32,804,000		32,804,000	6,910,000	25,000,000	31,910,000	39,714,000	64,714,000	62.95
BY MEANS OF FINANCING									
G.O. BONDS	22,804,000		22,804,000	6,910,000	25,000,000	31,910,000	29,714,000	54,714,000	
OTHER FED. FUNDS	10,000,000		10,000,000				10,000,000	10,000,000	
TOTAL POSITIONS	6296.00*	*	6296.00*	6296.00*	47.00*	6343.00*			
TOTAL PROGRAM COST	759,595,443		759,595,443	754,247,363	44,821,512	799,068,875	1,513,842,806	1,558,664,318	2.96

**EXECUTIVE SUPPLEMENTAL BUDGET
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PROGRAM ID: UOH-100
PROGRAM STRUCTURE NO 070301
PROGRAM TITLE: UNIVERSITY OF HAWAII, MANOA

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PROGRAM COSTS	FY2003-04			FY2004-05			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	3895.90*		3895.90*	3895.90*		3898.40*			
PERSONAL SERVICES	204,704,347	*	204,704,347	204,704,347	2.50*	204,639,398	409,408,694	409,343,745	*
OTH CURRENT EXPENSES	155,782,900		155,782,900	154,189,748	64,949-	171,588,309	309,972,648	327,371,209	
EQUIPMENT	11,062,168		11,062,168	11,062,168	17,398,561	11,392,168	22,124,336	22,454,336	
TOTAL OPERATING COST	371,549,415		371,549,415	369,956,263	330,000	387,619,875	741,505,678	759,169,290	2.38
=====									
BY MEANS OF FINANCING									
GENERAL FUND	3435.34*	*	3435.34*	3435.34*	2.50*	3437.84*	*	*	
	186,086,473		186,086,473	186,086,473	2,663,612	188,750,085	372,172,946	374,836,558	
SPECIAL FUND	79.75*	*	79.75*	79.75*	*	79.75*	*	*	
	71,044,995		71,044,995	71,044,995		71,044,995	142,089,990	142,089,990	
OTHER FED. FUNDS	78.06*	*	78.06*	78.06*	*	78.06*	*	*	
	5,762,014		5,762,014	5,762,014		5,762,014	11,524,028	11,524,028	
REVOLVING FUND	302.75*	*	302.75*	302.75*	*	302.75*	*	*	
	108,655,933		108,655,933	107,062,781	15,000,000	122,062,781	215,718,714	230,718,714	
CAPITAL INVESTMENT									
CONSTRUCTION	10,114,000		10,114,000				10,114,000	10,114,000	
EQUIPMENT	1,000		1,000				1,000	1,000	
TOTAL CAPITAL COSTS	10,115,000		10,115,000				10,115,000	10,115,000	
=====									
BY MEANS OF FINANCING									
G.O. BONDS	115,000		115,000				115,000	115,000	
OTHER FED. FUNDS	10,000,000		10,000,000				10,000,000	10,000,000	
TOTAL POSITIONS	3895.90*	*	3895.90*	3895.90*	2.50*	3898.40*			
TOTAL PROGRAM COST	381,664,415		381,664,415	369,956,263	17,663,612	387,619,875	751,620,678	769,284,290	2.35
=====									

**Narrative for Supplemental Budget Requests
FY 2005**

Program I.D.: UOH-100
Structure Level: 07 03 01
Program Title: University of Hawai'i at Mānoa

A. Program Objective

To aid eligible individuals to achieve higher levels of intellectual, personal, social, and vocational competency by providing occupational, general academic, and professional training;

To create new basic knowledge, develop solutions of technical and social problems, improve the quality of the faculty, contribute to the quality of undergraduate and graduate instructions programs, and strengthen the State's high-technology economic base by undertaking sponsored basic and applied researched projects;

To improve the quality of life and provide direct assistance to individuals, special interest groups, individual communities, and the general public by making available a variety of instructional, cultural, recreational, vocational, problem-solving, and general informational services in which the institution has special competence;

To assist and facilitate in a directly supportive way the academic functions of the institutions;

To support, enrich, and broaden the student's life while enrolled at the institution by making available a variety of services and activities which supplement the primary academic programs; and

To facilitate the operation of the institution as an organization by providing campus-wide executive management, fiscal, logistical, and other related supporting services.

B. Description of Request

Academy for Creative Media- 10.00 FTE, \$767,000 general funds.

Health Sciences Library- 20.00 FTE, \$1,724,365 general funds.

JABSOM Kakaako Facilities- 16.00 FTE, \$1,800,654 general funds.

Transfer of the Office of Research Services from UOH 100, UH Mānoa, to UOH 900, System wide Support- (43.50) FTE, (\$1,628,407) general funds.

Increase revolving fund ceiling- \$15,000,000 revolving funds.

C. Reasons for Request

Academy for Creative Media- This request is to provide funding to establish a systemwide creative media program.

Health Sciences Library- This request is to provide funds for the Health Sciences Library to be located in the new JABSOM Kakaako facilities.

JABSOM Kakaako Facilities- This request is to provide operating funds for the new medical school facilities at Kakaako.

Transfer of ORS from UH Mānoa to System wide Support- This request is to transfer the Office of Research Services from Mānoa to System wide support as the result of a BOR approved reorganization. The reorganization created the system wide Office of the Vice President for Research and transferred ORS to this office. This request is for the transfer of the positions and funding from UOH 100 to UOH 900.

Increase revolving fund ceiling - This request is to increase the revolving ceiling for the Research and Training Revolving Fund. Prior to FY 1998, the University received 66% of the return of overhead funds generated by research activities. In FY 1998, the Legislature approved the return of 100% of the overhead funds to the University. At the time this change was made, there was no commensurate increase in the revolving fund ceiling. In addition, research activity has increased significantly in the past several years. Because of this, the return of overhead has also increased. This request would increase the expenditure ceiling to reflect current estimates of overhead return

D. Significant Changes to Measures of Effectiveness and Program Size

None

PROGRAM ID: UOH-210
PROGRAM STRUCTURE NO 070302
PROGRAM TITLE: UNIVERSITY OF HAWAII, HILO

EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)

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PROGRAM COSTS	FY2003-04			FY2004-05			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	386.75*	*	386.75*	386.75*	*	386.75*	*	*	
PERSONAL SERVICES	22,027,299		22,027,299	22,027,299		22,027,299	44,054,598	44,054,598	
OTH CURRENT EXPENSES	10,493,283		10,493,283	10,493,283	1,000,000	11,493,283	20,986,566	21,986,566	
EQUIPMENT	348,866		348,866	348,866		348,866	697,732	697,732	
TOTAL OPERATING COST	32,869,448		32,869,448	32,869,448	1,000,000	33,869,448	65,738,896	66,738,896	1.52
=====									
BY MEANS OF FINANCING									
GENERAL FUND	361.25*	*	361.25*	361.25*	*	361.25*	*	*	
	20,449,410		20,449,410	20,449,410		20,449,410	40,898,820	40,898,820	
SPECIAL FUND	14.00*	*	14.00*	14.00*	*	14.00*	*	*	
	7,940,557		7,940,557	7,940,557	1,000,000	8,940,557	15,881,114	16,881,114	
OTHER FED. FUNDS	*	*	*	*	*	*	*	*	
	394,543		394,543	394,543		394,543	789,086	789,086	
REVOLVING FUND	11.50*	*	11.50*	11.50*	*	11.50*	*	*	
	4,084,938		4,084,938	4,084,938		4,084,938	8,169,876	8,169,876	
CAPITAL INVESTMENT									
DESIGN	1,261,000		1,261,000				1,261,000	1,261,000	
CONSTRUCTION	1,998,000		1,998,000				1,998,000	1,998,000	
EQUIPMENT	1,000		1,000				1,000	1,000	
TOTAL CAPITAL COSTS	3,260,000		3,260,000				3,260,000	3,260,000	
=====									
BY MEANS OF FINANCING									
G.O. BONDS	3,260,000		3,260,000				3,260,000	3,260,000	
TOTAL POSITIONS	386.75*	*	386.75*	386.75*	*	386.75*			
TOTAL PROGRAM COST	36,129,448		36,129,448	32,869,448	1,000,000	33,869,448	68,998,896	69,998,896	1.45
=====									

**Narrative for Supplemental Budget Requests
FY 2005**

PROGRAM ID: UOH 210
STRUCTURE LEVEL: 07 03 02
PROGRAM TITLE: University of Hawaii at Hilo

A. Program Objective

To develop eligible individuals to higher levels of intellectual, personal, social, and vocational competency, by providing occupational, general academic and professional training leading to certificates and degrees

B. Description of Request

Increase special fund expenditure ceiling to expend tuition and fees revenue.

C. Reasons for Request

The University of Hawaii at Hilo requires an increase in the expenditure ceiling for the special fund in order to expend tuition and fees revenue. The existing expenditure ceiling was based on revenues before the approval to charge only one rate rather than a lower/upper division rate. This change eliminated the lower division rate for all new freshmen and sophomores. This change in tuition rate as well as the increase in enrollment contributed to the increase in revenue.

D. Significant Changes to Measures of Effectiveness and Program Size

None

PROGRAM ID: UOH-800
PROGRAM STRUCTURE NO 070305
PROGRAM TITLE: UNIVERSITY OF HAWAII, COMMUNITY COLLEGES

EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)

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PROGRAM COSTS	FY2003-04			FY2004-05			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	1629.85*	*	1629.85*	1629.85*	1.00*	1630.85*	*	*	
PERSONAL SERVICES	95,548,543	300,000	95,848,543	96,343,797	665,597	97,009,394	191,892,340	192,857,937	
OTH CURRENT EXPENSES	28,893,666	300,000-	28,593,666	29,878,067	297,500-	29,580,567	58,771,733	58,174,233	
EQUIPMENT	651,702		651,702	651,702		651,702	1,303,404	1,303,404	
TOTAL OPERATING COST	125,093,911		125,093,911	126,873,566	368,097	127,241,663	251,967,477	252,335,574	.15
BY MEANS OF FINANCING									
GENERAL FUND	1532.25*	*	1532.25*	1532.25*	1.00*	1533.25*	*	*	
	75,920,657		75,920,657	75,860,657	368,097	76,228,754	151,781,314	152,149,411	
SPECIAL FUND	77.50*	*	77.50*	77.50*	*	77.50*	*	*	
	40,783,445		40,783,445	42,623,100		42,623,100	83,406,545	83,406,545	
OTHER FED. FUNDS	15.60*	*	15.60*	15.60*	*	15.60*	*	*	
	3,540,927		3,540,927	3,540,927		3,540,927	7,081,854	7,081,854	
REVOLVING FUND	4.50*	*	4.50*	4.50*	*	4.50*	*	*	
	4,848,882		4,848,882	4,848,882		4,848,882	9,697,764	9,697,764	
CAPITAL INVESTMENT									
PLANS	148,000		148,000				148,000	148,000	
LAND ACQUISITION	1,000		1,000				1,000	1,000	
DESIGN	151,000		151,000				151,000	151,000	
TOTAL CAPITAL COSTS	300,000		300,000				300,000	300,000	
BY MEANS OF FINANCING									
G.O. BONDS	300,000		300,000				300,000	300,000	
TOTAL POSITIONS	1629.85*	*	1629.85*	1629.85*	1.00*	1630.85*			
TOTAL PROGRAM COST	125,393,911		125,393,911	126,873,566	368,097	127,241,663	252,267,477	252,635,574	.15

NARRATIVE ON SUPPLEMENTAL BUDGET REQUESTS
FY 2004-05

PROGRAM I.D.: UOH 800

STRUCTURE LEVEL: 07 03 05

PROGRAM TITLE: UNIVERSITY OF HAWAI'I, COMMUNITY COLLEGES

A. Statement of Program Objectives

To develop eligible individuals to higher levels of intellectual, personal, social, and vocational competency by providing formal vocational and technical training and general academic instruction for certificates or degrees, or in preparation for the baccalaureate; and by offering adult continuing education for both personal and vocational purposes.

B. Description of Request

The FY 2005 Supplemental Executive Budget includes a general fund request for 1.00 FTE and \$368,097 to fund and support expanded apprenticeship training at Honolulu Community College. An Educational Specialist is being requested to assist in expanding scheduling, coordination, registration, and equipment and supplies ordering requirements. A large portion of the requested funding, \$325,901, is required to cover lecturer costs for the expanding program.

C. Reasons for Request

The projected boom in construction places significant requirements on Honolulu Community College. Based on legislative mandate, the Community Colleges are responsible for apprenticeship training. As Oahu's primary construction training institute, the college has the responsibility to provide both associate degree and apprenticeship training for the construction industry. The college also provides marketing, applicant testing and screening, and course delivery for the Pearl Harbor Apprenticeship program.

FY 2004 has been predicted to be the biggest year in the history of the construction industry. This will be expanded in future years based upon the military housing and facility construction contracts attached to the significant upgrading and expansion of military facilities.

Pearl Harbor Naval Shipyard (PHNSY) has a unique role in the expansion of military strategic operations in the Pacific Command. There is a continual increase in the ship maintenance and repair sector of the Pearl Harbor Naval Shipyard. The additional workload and the possible movement of an aircraft carrier to Hawai'i, require the shipyard to upgrade its facilities and increase its capabilities. There is also a pressing need to educate apprentices in the skilled trades at the shipyard to replace the shipyard's aging workforce.

This request is to fund and support expanded apprenticeship training and address requirements at the PHNSY. The combination of activities is critical to providing the human capital necessary for an expanded economy.

The college is committed to fulfilling its responsibility to improving the State's workforce capabilities in this critical economic sector. Expansion of apprenticeship and journeyworker training is necessary to fuel the State's economic growth, and provide well paying jobs for its citizens.

D. Discussion of Significant Changes to Measure of Effectiveness and Program Size Indicators

The trend of reductions to the Community College general fund current service base will continue to negatively impact the quality and scope of programs and services provided by the Community Colleges.

PROGRAM ID: UOH-900
PROGRAM STRUCTURE NO 070306
PROGRAM TITLE: UNIVERSITY OF HAWAII, SYSTEMWIDE SUPPORT

EXECUTIVE SUPPLEMENTAL BUDGET
(IN DOLLARS)

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PROGRAM COSTS	FY2003-04			FY2004-05			BIENNIUM TOTALS		
	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT APPRN	ADJUSTMENT	RECOMMEND APPRN	CURRENT BIENNIUM	RECOMMEND BIENNIUM	PERCENT CHANGE
OPERATING	336.00*		336.00*	336.00*	43.50*	379.50*			
PERSONAL SERVICES	19,763,797		19,763,797	19,763,797	1,706,239	21,470,036	39,527,594	41,233,833	
OTH CURRENT EXPENSES	171,970,420		171,970,420	192,329,837	941,436	191,388,401	364,300,257	363,358,821	
EQUIPMENT	235,000		235,000	235,000	25,000	260,000	470,000	495,000	
TOTAL OPERATING COST	191,969,217		191,969,217	212,328,634	789,803	213,118,437	404,297,851	405,087,654	.20
BY MEANS OF FINANCING									
GENERAL FUND	323.00*		323.00*	323.00*	43.50*	366.50*			
	171,985,620		171,985,620	192,345,037	1,410,197	190,934,840	364,330,657	362,920,460	
SPECIAL FUND	4.00*		4.00*	4.00*		4.00*			
	6,368,128		6,368,128	6,368,128	2,000,000	8,368,128	12,736,256	14,736,256	
OTHER FED. FUNDS	4.00*		4.00*	4.00*		4.00*			
	457,667		457,667	457,667	200,000	657,667	915,334	1,115,334	
REVOLVING FUND	5.00*		5.00*	5.00*		5.00*			
	13,157,802		13,157,802	13,157,802		13,157,802	26,315,604	26,315,604	
CAPITAL INVESTMENT									
PLANS	50,000		50,000	50,000	244,000	294,000	100,000	344,000	
DESIGN	1,497,000		1,497,000	400,000	2,990,000	3,390,000	1,897,000	4,887,000	
CONSTRUCTION	17,577,000		17,577,000	6,455,000	21,765,000	28,220,000	24,032,000	45,797,000	
EQUIPMENT	5,000		5,000	5,000	1,000	6,000	10,000	11,000	
TOTAL CAPITAL COSTS	19,129,000		19,129,000	6,910,000	25,000,000	31,910,000	26,039,000	51,039,000	96.01
BY MEANS OF FINANCING									
G.O. BONDS	19,129,000		19,129,000	6,910,000	25,000,000	31,910,000	26,039,000	51,039,000	
TOTAL POSITIONS	336.00*		336.00*	336.00*	43.50*	379.50*			
TOTAL PROGRAM COST	211,098,217		211,098,217	219,238,634	25,789,803	245,028,437	430,336,851	456,126,654	5.99

NARRATIVE ON SUPPLEMENTAL BUDGET REQUESTS
FY 2004-05

PROGRAM I.D.: UOH 900

STRUCTURE LEVEL: 07 03 06

PROGRAM TITLE: Systemwide Programs-UOH, Systemwide Support

A. Statement of Program Objectives

To facilitate the operation of the institution as an organization by providing executive management; fiscal; logistical; career and technical education; student assessment; and other related student, academic, and administrative support services across the ten-campus University of Hawai'i (UH) System. Also to plan and administer certain postsecondary education programs funded by the Federal government.

B. Description of Request

This is essentially a current service budget adjusted in the general fund for non-discretionary costs passed through the UH budget to State central service agencies and for increases in the special and federal fund ceilings.

- Reduction of \$3,652,580 in general funds to the UOH-900 budget for the ten-campus UH System share of general obligation bond debt service repayments, to be subsequently transferred from UH to Budget & Finance (B&F).
- Increase of \$613,976 in general funds, for FY 04-05 increase in projected costs of risk allocable to the ten-campus UH System, to be subsequently transferred from UH to the State Department of Accounting and General Services (DAGS).
- Increase the special fund ceiling, by \$2,000,000, for the implementation of Act 186, SLH 2003 that establishes the University of Hawaii Risk Management Special Fund.
- Increase the federal fund expenditure ceiling for Systemwide Career & Technical Education by \$200,000 to allow for additional expenditure of federal funds.

- Transfer 43.50 positions and \$1,628,407 in general funds from UOH-100 Manoa to reflect the transfer of the Office of Research Services to the Systemwide program.

C. Reasons for Request

The University of Hawai'i was informed by the DAGS Risk Management Program that the appropriated amount for risk management in FY 2004-05 is insufficient to pay for its share of the costs, identified by DAGS, to cover the purchase of Statewide insurance policies to protect against catastrophic losses and payments of self-retained losses. Separately, the University was informed by B&F of the reduction of the UH System's share of general fund debt service repayments.

The increase in the special fund ceiling is to allow for the expenditure of funds transferred to the Systemwide special fund for payment of settlements and judgments against the University, insurance premiums and other expenses related to managing its risks.

The budgetary transfer of the Office of Research Services to the Systemwide program reflects the operational reorganization approved by the BOR in 2002.

D. Discussion on Significant Changes to Measured of Effectiveness and Program Size Indicators

The UH Systemwide Programs provide a wide range of services to students, faculty, staff, other government agencies, and the general public; and are responsible for compliance with a multitude of applicable Federal, State, and University regulations. Although it is not possible to predict the degree of change in the measures of effectiveness resulting from approval of these budget requests, it is certain that degradation of services will occur given the continuing erosion of the current service budget through years of reductions despite the increasing demand for services.

